



Kentucky's Healthcare Connection

Quality Health Coverage. For Every Kentuckian.

KHIE Presentation on the Affordable Care Act and the Kentucky Health Benefit Exchange

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Kentucky's Uninsured

- 640,000 are currently uninsured:
- 300,000 may qualify for Medicaid under the new eligibility rules
- 290,000 may qualify for premium assistance through the Exchange



Kentucky Health Benefit Exchange

Governor Beshear signed an executive order which:

- Created the Exchange and its administrative structure.
- Organized the Exchange under Cabinet for Health and Family Services
- Established an Advisory Board

The exchange is known as **kynect, Kentucky's Healthcare Connection.**



What is an Exchange?

An organized marketplace for individuals and employees of small businesses to shop for health insurance offered by insurers (insurance companies, CO-OPs and OPM plans), and compare those plans based on price and quality. Individuals may also apply for Medicaid or the Kentucky Children's Health Insurance Program (KCHIP) coverage through the Exchange.

The Affordable Care Act requires states to create their own exchanges or default to a federal exchange. Kentucky opted to create its own.



kynect Insurer Participation

- **Individual Plans**
 - **Anthem**
 - **Kentucky Co-operative**
 - **HUMANA**
- **Small Group Plans**
 - **Bluegrass Family Health**
 - **Kentucky Co-operative**
 - **Anthem**
 - **United HealthCare**



kynect MCO Participation

- **Passport**
- **HUMANA**
- **WellCare**
- **Coventry**
- **Anthem**



Small Business Health Options Program (SHOP)

- Through Exchanges, states must have a SHOP program to provide health insurance options to small businesses (2-50 employees in Kentucky).
- SHOP will ease the administrative burden on employers that now administer group health plans (e.g., assist in enrollment, collect employee premium payments).
- Kentucky has opted to merge the SHOP exchange with the individual market exchange for administrative and financial simplification.



Who might qualify for premium assistance or tax credits?

- Individuals may qualify for premium assistance if their household income for the taxable year is between 138% and up to 400% of the federal poverty level (FPL).
- A small business may qualify for a tax credit if:
 - It pays at least 50% of the premium for each employee
 - It has fewer than 25 full-time equivalent employees for the taxable year, and
 - The average annual wage of the group is less than \$50,000

Estimated Cost to Purchase Health Insurance on the Exchange Based on Second Least Expensive Silver Plan

Income Level	Individual Income Amount (Yearly)	Percent of Income	MONTHLY Premium Limit as a Percent of Income Individual		Family of Four Income Amount (Yearly)	Percent of Income	MONTHLY Premium Limit as a Percent of Income for Family of Four	
			Minimum	Maximum			Minimum	Maximum
Up to 138% FPL	MEDICAID ELIGIBLE							
138–150% FPL	\$15,857 - \$17,235	3-4 %	\$47.51	\$57.45	\$32,500 - \$35,250	3-4 %	\$81.25	\$117.50
150-200% FPL	\$17,235 - \$22,980	4-6.3%	\$57.45	\$120.65	\$32,250 - \$47,000	4-6.3%	\$117.50	\$246.75
200-250% FPL	\$22,980 - \$28,725	6.3-8.05%	\$120.65	\$192.70	\$47,000 - \$58,750	6.3-8.05%	\$246.75	\$394.11
250-300% FPL	\$28,725 - \$34,470	8.05-9.5%	\$192.70	\$272.89	\$58,750 - \$70,500	8.05-9.5%	\$394.11	\$558.13
300-400% FPL	\$34,470 - \$45,960	9.5%	\$272.89	\$363.85	\$70,500 - \$94,000	9.5%	\$558.13	\$744.17

Individuals and Families who purchase Health Insurance on the Exchange in the individual market are eligible for:

- a) Premium assistance if income is between 138% and 400% of the Federal Poverty Level (FPL); and
- B) Cost sharing reductions (reduced deductibles, co-pay or co-insurance) if income is below 250% of the FPL.

Regardless of the premium amount charged by the insurer, the portion of the premium payable by the individual as identified in the above chart is based on their income and the cost of the second least expensive Silver plan. Premium amounts may be higher or lower if the second least expensive Silver plan is not selected. In order to qualify for cost sharing reductions, a Silver plan must be selected by an individual or family.

Health plans offered on the Exchange will include Bronze, Silver, Gold and Platinum. Premium amounts for:

- a) Bronze plan on average will cover 60% of the claims cost with 40% being covered by cost sharing amounts.
- b) Silver plan on average will cover 70% of the claims cost with 30% being covered by cost sharing amounts.
- c) Gold plan on average will cover 80% of the claims cost with 20% being covered by cost sharing amounts.
- d) Platinum plan on average will cover 90% of the claims cost with 10% being covered by cost sharing amounts.



Medicaid Expansion

- States were given the option to expand the Medicaid program to include certain individuals who are under age 65 with incomes up to 138 % of the FPL (\$32,500 for family of 4 in 2013).
- Kentucky chose to expand Medicaid:
 - Not expanding the program would have hurt both Kentucky's health and taxpayers' bottom line.



Education and Outreach

- **KHBE Mobile Tour underway**
 - County fairs, sporting events (Lexington Legends, Louisville Bats, Bowling Green Hot Rods, etc.), health fairs, community events
- **Speaking engagements**
 - Community groups, associations, Chambers of Commerce, libraries
- **Contact Center**
 - **Operational Aug. 15**
 - **Hours:** Mon.-Fri., 8:00a.m. – 7:00 p.m. (ongoing); Sat., 9:00 a.m. – 4:00 p.m. (beg. Oct 1); Sat., 9:00 a.m. – 1:00 p.m. (beg. Jan 1)



Open Enrollment

- Begins Oct. 1 and runs through March 31, 2014, with coverage beginning as soon as January 1, 2014. kynect is here to help you find the right coverage. It's a new kind of health insurance marketplace – convenient and easy to use.
- By visiting the kynect.ky.gov website, you can find out if you qualify for Medicaid or KCHIP or payment assistance to purchase health coverage through kynect. kynect will offer choices of health plans at a good value.
- Lots of ways to apply: online, with a paper application, in person with help from a kynector or insurance agent, or through toll-free contact center
- With one application, kynect will check your eligibility for programs that can help you pay for health insurance for yourself, your family or your employees.



Benefits of ACA.

- Coverage cannot be denied or canceled, even if you have a condition like high blood pressure or diabetes.
- Mental health and substance abuse services must be covered, the same as physical health services.
- There is no difference in premiums based on gender.
- Children can stay on their parents' plan until age 26.
- There are no lifetime limits on essential health benefits.
- Premium assistance for health plans on kynect.
- Medicaid coverage for adults up to 138% of FPL.

No impact to Medicare coverage.



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Visit kynect.ky.gov to learn more.

1-855-4kynect

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